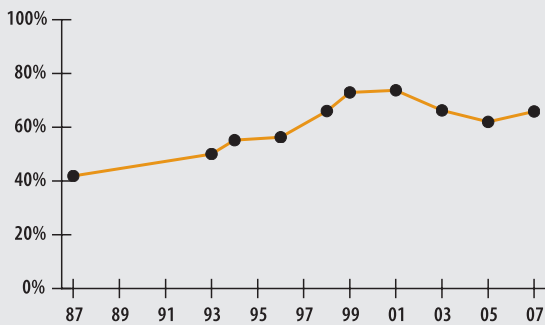
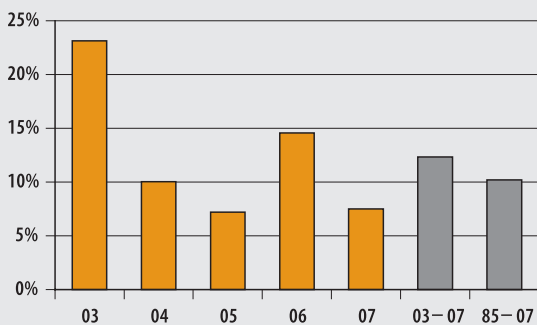


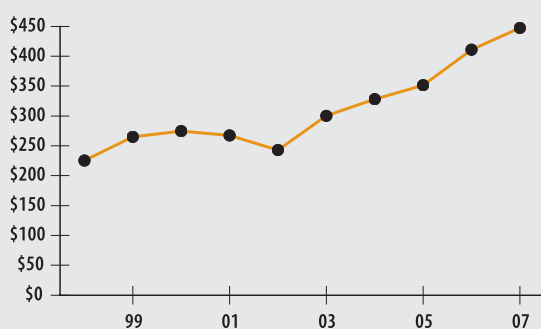
Funded Ratio (1987-2007)



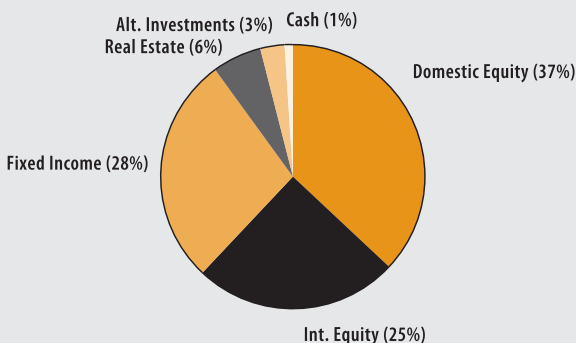
Investment Return (2003-2007, 5 Year and 23 Year Averages)



Asset Growth (1998-2007) (Market Value in Millions)



Asset Allocation (12/31/07)



ACTUARIAL

• Funded Ratio	65.8%
• Date of Last Valuation	01/07
• Actuary	Buck
• Assumed Rate of Return	8.50%
• Funding Schedule	4.5% Increasing
• Year Fully Funded	2023
• Unfunded Liability	\$203.1 M
• Total Pension Appropriation (Fiscal 2008)	\$27.4 M

	Active	Retired
• Number of Members	4,022	1,956
• Total Payroll/Benefit	\$147.0 M	\$30.3 M
• Average Salary/Benefit	\$36,500	\$15,500
• Average Age	NA	72
• Average Service	NA	NA

INVESTMENT

Domestic Equity

- Earnest Partners, LLC
- INTECH Large Cap Growth Equity Fund
- LSV Asset Management
- Rice Hall James & Associates
- UBS US Large Cap Equity Fund

International Equity

- Arrowstreet Capital, L.P.
- Lazard Emerging Markets Equity Portfolio
- Voyageur International Fund

Domestic Fixed Income

- Income Research & Management
- PIMCO Diversified Real Return Fund
- SSgA Passive Bond Market Index SL Fund

International Fixed Income

- Delaware Pooled Trust Global Fixed Income Portfolio

Real Estate

- BlackRock Apartment Value Fund III, L.P.
- Hancock ForesTree IV & V, L.P.
- New Boston Institutional Fund, L.P. VI
- RREEF America REIT II
- SSgA Tuckerman / Residential Income and Value Added (RIVA) Fund
- TA Realty Associates Fund VII

Alternative Investments

- BlackRock Diversified Private Equity Program III
- Charles River Partnership VII, VIII, IX, X, XI
- DCM Private Equity Fund II
- DN Partners, L.P.
- DN Partners II, L.P.
- New England Growth Fund II, L.P.
- Senior Tour Players Fund I

Consultant

- RogersCasey

Custodian

- State Street

► 2007 Return	7.52%
► 2007 Target	8.50%
► 2007 Market Value	\$447.2 M
► 2003-2007 (Annualized)	12.35%
► 1985-2007 (Annualized)	10.22%